



Course Materials

“Trade and Development in South America: A Case study of Mercosur”

Professor: Dr. Beatriz Nofal

February 2004

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Title- “Trade and Development in South America: A Case study of Mercosur”

Professor: Dr. Beatriz Nofal

The course will focus on gaining a deep knowledge and understanding of Mercosur's development and its contemporary status, its economic and political importance, and its main challenges ahead both regarding its internal agenda and its external agenda. Regarding the latter, the course will examine how does Mercosur relate to other regional or multilateral trade negotiations such as the FTAA, the European Union and the Doha Round at the WTO, where do these negotiations stand today, what are the crucial themes under discussion, and where are they heading. The issue of agricultural protectionism and its negative impact upon the development of the Mercosur partner countries (Argentina, Brazil, Uruguay and Paraguay) will be analyzed. Lastly, the course will review the economic performance of the main economies in Mercosur, Argentina and Brazil, to understand why the results of reform, while positive in many aspects, have been disappointing in terms of their growth and development performance.

Most of the materials to be used in classes are based on the bibliographical references mentioned in each section. Among these, the recommended readings are marked with an (*). During the course other bibliographical references will be given as well as references of internet sites relevant to the issues analyzed.

Table of Contents

1. Trade, Globalization, Development and Poverty

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1. B Complementary readings.

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PORTO, G. "*Trade Reforms, Market Access and Poverty in Argentina*", in **World Bank, 2003**. (www.worldbank.org, search under research).

2. The Institutions in International Trade.

- a. The GATT and the World Trade Organization (WTO)
- b. Multilateral trade negotiations: contents and achievements.
- c. Participation of Developing Countries in the WTO and in multilateral negotiations

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WORLD TRADE ORGANIZATION, “*Introduction to the WTO: Trading into the Future*”, WTO (www.wto.org), 1998.

3. Agricultural Protectionism and the Agricultural Negotiations in the Doha round.

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MONTEAGUDO, J. and M. WATANUKI, *Evaluating Agricultural Reform Under the FTAA and MERCOSUR-EU FTA for Latin America: A Quantitative CGE Assessment*, paper prepared for the Seminar on "Agricultural Liberalization and Integration: What to Expect from the FTAA and the WTO", organized by the Inter-American Development Bank, Washington DC, October 1-2, 2002 *.

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NOFAL, BEATRIZ (1998), "*Análisis Cuantitativo del ALCA en el sector de alimentos*", Asociación Argentina de Economía Política, Conferencia Anual en Rosario (Annual Conference in Rosario, (www.aaep.org.ar))

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6. Trade, Development and Integration Revisited.

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